IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

G.S.T.R.Nos.22 & 23 of 1988
Date of decision:24.10.2006

State of Haryana through Excise & Taxation Commissioner,

Haryana **...Petitioner**

Versus

M/S Sonipat Textile Mills, Sonipat **...Respondent**

CORAM: HON'BLE MR.JUSTICE ADARSH KUMAR GOEL
HON'BLE MR.JUSTICE RAJESH BINDAL

Present: Ms.Ritu Bahri, Deputy Advocate General, Haryana.

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JUDGMENT

Following question of law has been referred for opinion of this Court by the Sales Tax Tribunal, Haryana arising out of its order dated 24.2.1987 passed in STA Nos.299 & 300 of 1985-86, pertaining to the assessment years 1980-81 and 1981-82.

> "Whether on the facts and in the circumstance of the case, the respondent was liable to penalty under Section 8(d) read with Section 10-A of the Central Sales Tax Act, 1956, for violating the provisions of section 8(3)(b) of the Central Sales Tax Act, 1956?"

The assessee purchased goods on payment of concessional rates of tax. It used a major portion of it for doing job work of third parties. The said third parties sold the final product. The Assessing Authority imposed penalty on the ground that goods having been purchased on the strength of Registration Certificate had to be used by the assessee for its own sale after use in manufacture of goods.

The Appellate Authority upheld the imposition of penalty but reduced the amount to Rs.5000/- for each year. The Tribunal, however, set aside the imposition of penalty on the ground that no case for imposition of penalty was made out.

Learned counsel for the Revenue impugned the finding

recorded by the Tribunal.

Having regard to the fact that the total amount involved is only Rs.10,000/-, we do not consider it appropriate to go into the question of law referred.

The reference is thus returned unanswered.

(Adarsh Kumar Goel)
Judge

October 24 ,2006 **(Rajesh Bindal)**
Pka **Judge**